

Term Sheet

NCB Development Corporation's Revolving Loan Fund The Coming Home Program

- Borrower:** Non profit organization meeting the requirements set forth for The Coming Home program
- Amount:** Maximum of \$100,000 per project meeting criteria of this term sheet
- Terms:** Interest rate of 6% on each draw. Total loan term up to 24 months. Accrued interest and outstanding balance on the Development Advance is due the earlier of (1) receipt of first construction draw or (2) 24 months from closing date.

Eligibility:

- ✓ Project is located in a state chosen by The Coming Home Program.
- ✓ Project is identified as an acceptable project by the state and is acceptable to NCBDC at its sole discretion.
- ✓ The borrower must be a non-profit organization in good standing.

Pre-closing Requirements:

- ◆ Borrower must complete application form and submit all required documents. This will include (but is not limited to) an acceptable budget for the use of the proceeds of Development Advance and matching funds.
- ◆ Borrower must provide a match of 25% of NCBDC's committed funds in the form of cash, equity, or other acceptable commitment in NCBDC's sole discretion. At least \$10,000 of the matching funds must be cash. The NCBDC Development Advance proceeds will be disbursed on a one-to-one basis with the matching dollars until the matching funds have been fully invested.
- ◆ Borrower must have identified a site or sites(s) that will be the subject of predevelopment activities. Site control is preferred, but not required.

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Ongoing Requirements:

- Draw requests: No more than one draw per month; submission of draw certificate and all invoices as well as project update.
- Revolving loan fund proceeds may not be used for staff salaries
- Revolving loan fund proceeds may not be used for fundraising efforts.
- No more than 5% of total Development Advance commitment may be used for site control purposes.
- Fees for architects and developers are each capped at the lesser of \$25,000 or 25% of the outstanding Development Advance balance.
- Reporting Requirements: Monthly project status updates; annual audited financial statements, other reports determined as needed.
- Default: Defaults under the loan agreement shall include (but not be limited to): unauthorized use of funds, material adverse change in organization/financial condition, and non-disclosure of adverse conditions discovered in feasibility process.

Questions? Contact:

Eliza Webb
NCB Development Corporation
1725 Eye Street, NW
Suite 600
Washington, DC 20006

(202) 336-7694 p
(202) 336-7804 f
ewebb@ncbdc.org

Application

NCB Development Corporation Revolving Loan Fund

The following outlines the information needed to process an application for a predevelopment advance. Please complete this application, attaching requested items and additional narrative, as necessary. (Checklist for required items provided at the end.)

Borrower and/or Sponsor

Name of Borrower and/or Sponsor: _____

Borrower's/Sponsor's address: _____

Telephone: _____

Fax: _____

Email: _____

Primary contact: _____

Project Description (Please provide as much detail as is possible, attaching additional narrative, as needed)

Project located: _____

New construction ☐ or Rehabilitation ☐

Number of units _____

Number of studio apartments? ____ One-bedrooms? ____ Two? ____ Three? ____

Do you have site control? Yes ☐ No ☐

Please describe _____

Description of location and area: _____

Comments on demographics and estimated market demand for project:

Sources and Uses of NCBDC Funds

What is your predevelopment budget? What will you use the NCBDC funds for?

What are the matching funds?

Are these funds committed?

Please attach a spreadsheet outlining the Sources and Uses for Predevelopment Funds.

Total Project Sources and Uses of Funds

What are the total anticipated development costs?

What are the anticipated sources of funds for the project?

Development Team

Please list the members of the development team and attach statements of their experience and, when appropriate, their resumes

Please submit completed application to:

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Checklist:

Please include the following with this application:

Development team resumes/experience statements	<input type="checkbox"/>
Borrower's organizational documents	
✓ Certified copy of articles of incorporation	<input type="checkbox"/>
✓ By-laws, certified by Secretary	<input type="checkbox"/>
✓ Good Standing certificate	<input type="checkbox"/>
Predevelopment budget (includes sources and uses for NCBDC and other matching funds)	<input type="checkbox"/>
Project description	<input type="checkbox"/>
Estimated total development costs	<input type="checkbox"/>
Brief description of location	<input type="checkbox"/>
Brief description of market and demographics	<input type="checkbox"/>
State referral letter	<input type="checkbox"/>
Evidence of matching funds	<input type="checkbox"/>
Audited financial statements	<input type="checkbox"/>
Estimated pre-development draw schedule	<input type="checkbox"/>
Description and timing of repayment source	<input type="checkbox"/>